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№ 05-03/ 2
28/03/2025

AUDIT

REPORT ON RECEIPT AND USE OF FUNDS

Charitable Organization

"UKRAINIAN INSTITUTE ON PUBLIC HEALTH POLICY"
by PROJECTS:

"Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine"

(D2C or Grant 1),

"A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine"

(SN Mat or Grant 2),

"Ukraine HIV Research Training Program" (FIC or Grant 3),

"Ukraine HIV Research Training Program" (FIC-2 or Grant 4),

"Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine"

(Medium or Grant 5),

"Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)" (HIV Aging or Grant 6),

for the year ending December 31, 2024

1. Background information

1.1. A brief description of the action being tested

Audited financial reporting	01.01.2024 – 31.12.2024
Performer	Full name: Limited Liability Company «UVM – audit». Short name: “UVM-Audit” LLC. Legal entity identification code: 20587317. Certificate of inclusion in the Register of audit firms and auditors who provide audit services alone, № 2488, decision of the Audit Chamber of Ukraine № 98 as of 26.01.2001., decision of the Audit Chamber of Ukraine № 158 as of 26.01.2006., decision of the Audit Chamber of Ukraine №224/3 as of 23.12.2010p. and decision of the Audit Chamber of Ukraine № 317/4 as of 26.11.2015p. Information about the LIMITED LIABILITY COMPANY «UVM-audit» were included in the register of auditors and auditing entities in the section “AUDIT ENTITIES”. Director of Audit Firm UVM-Audit LLC Mykhailo Kuzub Mykhailo Kuzub is a participant Federation of Professional Accountants and Auditors of Ukraine (FPBAU). FPBAU is a valid member of the International Federation of Professional Accountants (IFAC). FPBAU is an associate member of the International Organization of Francophone Accountants and Auditors (FIDEF).
Audit venue	Kyiv, str. Bohdan Khmelnytskyi, 10, apartment 60
Contract execution period	01.01.2024 – 31.12.2024
Description of activities, results	Purpose of this report and restrictions on distribution and use The report was prepared within the framework of a special purpose to help CHARITABLE ORGANIZATION «UKRAINIAN INSTITUTE ON PUBLIC HEALTH POLICY» to fulfill the terms of the Agreements regarding accounting and financial reporting of costs under PROJECTS. An audit involves performing audit procedures to obtain audit evidence regarding amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In assessing these risks, the auditor considers internal control measures related to the entity's preparation of financial statements for the purpose of developing audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our objectives are to obtain reasonable assurance about whether «UIPHP» CO's financial statements generally are free from material misstatement, whether due to fraud or error, and to provide an auditor's report that contains our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with International Standards on Auditing (ISA) will always detect a material misstatement, if it exists. Misstatements may arise from fraud or error and are considered material if they can reasonably be expected to individually or collectively affect the economic decisions of users based on the financial statements of «UIPHP» CO. As part of an ISA audit, we use professional judgment and maintain professional skepticism throughout the audit. We also assure those charged with governance that we have complied with appropriate ethical requirements regarding independence and disclose to them all relationships and other matters that may reasonably be considered to affect our independence and, where applicable, the appropriate safeguards.

1.2. GENERAL INFORMATION ABOUT THE ORGANIZATION

Full name	CHARITABLE ORGANIZATION «UKRAINIAN INSTITUTE ON PUBLIC HEALTH POLICY»
EDRPOU code	34493231
Legal form	CHARITABLE ORGANIZATION
Certificate of state registration	Date and number of entry in the Unified State Register of Legal Entities, Inc Entrepreneurs and Public Organizations: State registration number: 1 074 120 0000 018441. Date of state registration: 07.07.2006.
Register of non-profit institutions and organizations	The date of inclusion of a non-profit organization in the Register, starting from which the term of continuous registration of a non-profit organization is determined: 08/01/2006. Date of assignment of non-profit status or its change: 08/22/2016. Sign of non-profit: 0036 - charitable organization Decision on inclusion, re-inclusion of a non-profit organization in the Register or change of non-profit status. Date of decision: 17.07.2020 Decision number: 2026594600265
Place of state registration	MAIN DEPARTMENT OF DPS IN M. KYIV DPI IN SHEVCHENKIVSKY DISTRICT (SHEVCHENKIVSKY DISTRICT OF KYIV) Body identification code: 44116011 Information about departmental register: EDRPOU Date of registration: 19.07.2006 Registration number: 25835/29-2 07 Register of payers of a single contribution Date of registration: 19.07.2006 Registration number: 03-38511*

Charitable Organization «UKRAINIAN INSTITUTE ON PUBLIC HEALTH POLICY» («UIPHP» CO) is a non-governmental, non-profit organization created to develop and implement modern approaches in the field of health care, confirmed by the best scientific evidence. and is implemented through effective public health policy and practice.

Activities:

88.99 Provision of other social assistance without housing, n.v.i.u.

Responsible persons:

Director - Serhii Dvoriak

Chief accountant - Yuliia Kashchenko

1.3 PROJECTS

1. **Project "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine " (D2C or Grant 1).** under Contract No. R34DA053143 dated October 21, 2023, grant - Johns Hopkins University. The project implementation period is from August 15, 2021 to June 30, 2025, the amount of the grant for the specified period is USD 228,725. The amount of generated accounts is \$54,154.15.

2. **Project "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine" (SN Mat or Grant 2),** contract term R34DA051316 is from August 1, 2021 to July 31, 2025, the amount of funding is \$226,750. The amount of generated accounts is \$57,214.42.

3. **Project "Ukraine HIV Research Training Program" (FIC or Grant 3),** was implemented by the Organization in accordance with the Agreement on a sub-grant for foreign research with reimbursement of costs No. 100-1139670-78160, which was concluded on August 11, 2017 (hereinafter - Grant Agreement 3) with the State. Scientific research fund. New York University, according to Appendix #4, the total amount of funding increased by \$52,402 for a total of \$172,856. Also, the project implementation period has been extended until April 30, 2024. The main purpose of providing funds under Grant 3 is to strengthen the scientific research and educational potential of BO "UIPGZ" in the fight against the epidemic of HIV infection in Ukraine. The amount of generated accounts is \$30,357.16.

4. **Project "Ukraine HIV Research Training Program" (FIC-2 or Grant 4),** was implemented on the basis of the Agreement on a sub-grant for foreign research with reimbursement of costs No. 100-1181781-97163 dated 04.01.2023 (hereinafter - Grant Agreement 4). Donor of the project Research Foundation for the State University of New York. According to the contract, the total amount of targeted funding is \$33,944. The donor was billed for \$21,040.17.

5. **Project "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine" (Medium or Grant 5),** Grant 5 was implemented by the Organization in accordance with the "Grant Award Notice" No. 5U01DA045384 dated May 18, 2018. According to the grant award notice, the grantor is the National Institute of Health (USA), and the project implementation period is from June. 1, 2018 to May 31, 2025. Grant agreement 5R01D045384-05 in the amount of \$496,868.

The aim of this project is to study the effectiveness of the mSBIRT intervention when, instead of referral to a psychiatric service, the diagnosis and treatment of depressive disorders in RRT patients is carried out on site. The amount of expenses is \$143,206.89.

6. **Project "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)" (HIV Aging or Grant 6),** according to contract No. 100-1139-670-78160 dated September 1, 2021, the grantor is the Research Foundation for The State University of New York. The project implementation period is from September 1, 2021 to April 30, 2025, the amount of the grant for the specified period is USD 65,606. The amount of generated accounts is \$35,372.61.

2. Perform audit tasks

The main purpose of the audit is to provide a conclusion on the reliability of the financial statements of Charitable Organization «UKRAINIAN INSTITUTE ON PUBLIC HEALTH POLICY» in all significant aspects in accordance with generally accepted principles and standards of accounting and financial reporting. Reports on audits of financial statements conducted in accordance with Auditing Standards for Government Agencies of the United States of America include, but are not limited to, reports on internal control and reports on compliance with applicable laws and grant agreements that have a material impact on the financial condition of the application as a whole.

Audit objectives include the following:

□ providing an opinion on the compliance of the REPORT ON THE RECEIPT AND USE OF FUNDS UNDER THE PROJECTS, for the year ending December 31, 2024. was prepared reliably, in all material respects, regarding the financial statements of UIPHP CO as a whole and the revenues received, expenses incurred, as well as assets, goods and technical assistance purchased at the expense of Donors for the period that was to be audited in accordance with the terms of the grant agreements, as well as generally accepted principles of accounting;

□ conducting an assessment and to gain sufficient understanding of the Organization's internal control system of UIPHP CO related to PROJECTS, including internal control over the distribution of indirect costs, risk assessment in the internal control system and identification of issues requiring reporting, including significant deficiencies in the internal control system;

□ conducting an audit of the Company's financial statements, which consists of a balance sheet as of December 31, 2024, a report on financial results for the year ended on December 31, 2024 and compiled in accordance with the requirements of the National Accounting normative legal acts (standards), in order to provide a conclusion on the reliability of financial reporting in all essential aspects;

□ determination of whether the Organization has taken adequate corrective measures based on recommendations provided during audits of previous periods.

The scope of work performed on the verification of the REPORT ON THE RECEIPT AND USE OF FUNDS UNDER THE PROJECTS included, but was not limited to, the following:

□ review of direct and indirect costs incurred and reimbursed, as well as costs incurred but not reimbursed, to identify and quantify any questionable and/or unsubstantiated costs. All expenses that were not properly confirmed by primary documents and/or were not made in accordance with the requirements of the grant agreements must be reflected in the report as questionable expenses;

□ checked the accounting data in general and by PROJECTS for the correctness of the display of all expenses incurred. Reconciliation of incurred and reimbursed direct costs with accounting data of the Organization as a whole and by PROJECTS;

□ procedures for monitoring the receipt of targeted funding were analyzed. Transactions on the Organization's bank accounts, as well as means of controlling the movement of funds, were checked. Written confirmation has been received from the banking institution regarding the open accounts of the Organization and the balances of funds in such accounts as of the end of the day on December 31, 2024;

□ determined the proper documentation of the advanced funds of the target financing, including the reconciliation of the advanced, paid and available funds.

□ it was checked whether, in case the Society received income from grant activities, it was directed to the future goals of the program and/or project; or partially for the implementation of other ongoing project activities; or reduce the costs of such grant activities in accordance with the requirements of PROJECTS or the terms of grant agreements;

□ a check of direct labor costs was carried out, in order to determine the reasonableness of the wage rates for the relevant positions, approved in the PROJECT estimate, as well as whether the labor costs are confirmed by the relevant information on the calculation of wages;

□ checked other expenses and travel expenses of the Organization's employees in order to assess the availability of permits for such expenses, their compliance with the terms of grant agreements, as well as their compliance with primary documents;

□ checked the goods and material values purchased by the Enterprise (stocks, materials, equipment, tools, etc.), their actual availability or intended use in accordance with the requirements of the grant agreements. The available internal control procedures for the preservation of commodity values are analyzed. As part of the audit procedures, a random check of the actual availability of goods was carried out;

□ a review of the technical support and services purchased by the Organization was carried out in order to obtain sufficient confidence in their expediency to fulfill the requirements of the grant agreements.

The scope of work on internal control included the following main areas:

□ obtaining an understanding of the developed internal control system of the Organization, which is related to PROJECTS, and its actual application in the implementation of operations was verified;

□ assessment of internal risk, control risk and non-detection risk. Intrinsic risk is the vulnerability of an assertion about a class of transactions, account balance, or disclosure to misstatement that could be material, alone or in combination with other misstatements, before any relevant Company controls are taken into account. Control risk is the risk that a misstatement that may arise in an assertion about a class of transactions, account balance, or disclosure, and that may be material alone or in combination with other misstatements, will not be timely prevented or detected and corrected by the Organization's internal control system. Non-detection risk is the risk that the procedures we have performed to reduce audit risk to an acceptably low level will not detect an existing misstatement that could be material, either alone or in combination with other misstatements.

Assessment of the internal control environment and procedures: the correctness of the accounting system was investigated; conducted an analysis of internal control policies and procedures that directly affect the Organization's ability to conduct, process, summarize and report any financial information that is a component of the REPORT ON THE RECEIPT AND USE OF FUNDS BY PROJECTS. Evaluation procedures included, but were not limited to, the following:

- ensuring that all costs for PROJECTS are authorized and validated;
- use of funds on bank accounts;
- purchase of goods and services;
- performance of inventory functions in order to identify the actual availability of funds, fixed assets, intangible assets, commodity values, as well as the reality of the value of cash credited to the balance sheet in bank accounts, receivables and payables, expenses of future periods, provisions and reserves for future expenses and payments etc;
- storage and use of printed products and other consumables;
- ensuring compliance with the terms of the contract and current legislation and regulatory documents, which collectively significantly affect the compliance of the payments made with the terms of the contracts, legislative and regulatory documents;
- carrying out inspections for the presence of facts of the use of funds not for their intended purpose and/or in violation of the terms of current contracts;
- verification of the actual availability of goods purchased by the Organization, as well as their intended use in accordance with the terms of the relevant contracts;
- verification of technical support and services purchased by the Organization, as well as their intended use in accordance with the terms of the relevant contracts.

The scope of our work to verify the Organization's implementation of the auditors' recommendations of the previous reporting period included:

□ verification of the measures taken by the Organization's management based on the conclusions and recommendations provided during the preliminary audit of the PROJECT;

□ assessment of the Organization's implementation of appropriate and sufficient corrective measures to eliminate deficiencies, in accordance with the conclusions and recommendations of previous auditors, which may have a significant impact on financial statements.

3. Risk analysis

The auditor performed risk assessment procedures to provide a basis for identifying and assessing the risks of material misstatement at the reporting and assertion levels for classes of transactions, account balances and disclosures. During the performance of risk assessment procedures and related activities to obtain an understanding of UIPHP CO and its environment, including its internal controls, the auditor performed the following procedures to obtain information that was used during the identification of risks of material misstatement, in particular through fraud:

- Inquiries to management and other employees regarding their own assessment of fraud risks and established controls to prevent and detect fraud;
- Discussed and interviewed those charged with governance to understand how they: identify and respond to fraud risks and internal controls to mitigate the risks of material misstatement.
- Analytical procedures performed as risk assessment procedures, including both financial and non-financial information.
- Observation and verification of the activities of UIPHP CO, documents, records and instructions of internal control, reporting was carried out.

According to the results of the procedure conducted by the auditors, no information was received that would indicate:

- the possibility of the risk of fraud or the possibility of disclosure of reported data or facts of ownership of assets as a result of fraud.
- business transactions are carried out through bank accounts, there are no cash transactions.
- during the discussions, the management confirmed the absence conflict of political intervention.

4. Brief description of the testing process

During the audit process, we followed the Terms of Reference and International Standard on Related Services (ISRS) 4400.

The testing was performed in accordance with International Standard on Related Services (ISRS) 4400, "Engagements to Perform Agreed-Upon Procedures for Financial Information".

Revealed facts:

a) we carried out verification work in the Customer's office, qualified representatives were present in the office of UIPHP CO and collaborated with the auditors.

b) we monitored whether salaries were paid systematically at UIPHP CO and whether the amounts accrued were documented during the reporting year, and made sure that the salary expenses could be verified with sufficient supporting documentation;

Based on the results of the implementation of this procedure, it was established that at UIPHP CO, the accounting of working time costs is carried out on the basis of time sheets for UIPHP CO as a whole, salary costs were documented during the year by acts and systematic reports on services rendered, and labor costs of UIPHP CO employees were financed at the expense of PROJECTS and UIPHP CO's own funds.

c) Procedures for monitoring the receipt of targeted funding are analyzed. Transactions on the bank accounts of UIPHP CO, as well as means of controlling the flow of funds. A written confirmation was received from the banking institution regarding the accounts opened by UIPHP CO and the balances on such accounts as of the end of December 31, 2024;

d) we verified, on the basis of materiality and risk, the availability of supporting documentation of the funds allocated under the PROJECTS. Based on the results of this procedure, it was found that all expenses under the PROJECTS were duly supported by primary documents.

e) we verified by means of testing the Company's compliance with the rules and instructions on taxes and social contributions. According to the results of this procedure, no deviations from the requirements of the legislation were found.

At the same time, financing costs are recorded at the time of their occurrence, consistency, rationality, and prevalence of substance over form (transactions are recorded according to their nature,

not only according to their legal form); all transactions of the Organization are measured and summarized in the reporting in a single currency).

We used the following audit techniques:

- solid method, all information was checked:
 - personnel expenses (Checked amount \$167,085.86, coverage ratio of total expenses is 50.7%).
 - amounts exceeding \$1,000 ((Checked amount \$125 430,90, coverage ratio of the total amount of expenses is 38.1%.)

* Total tested using the continuous method = 88.8% of expenses.

INDEPENDENT AUDITOR'S REPORT

REGARDING THE REPORT ON RECEIPT AND USE OF FUNDS UNDER FOR THE PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine ", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)", for the year ending December 31, 2024.

We have audited the REPORT ON RECEIPT AND USE OF FUNDS by the UIPHP CO for the Projects: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)", for the year ended December 31, 2024.

The management of UIPHP CO is responsible for the preparation of the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS. Our responsibility is to express an opinion on the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS based on our audit.

We conducted our audit of the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS in accordance with Auditing Standards for Governmental Entities. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS is free from material misstatement. Audit involves performing tests to obtain evidence confirming the amounts and their disclosure in the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides sufficient grounds for expressing our opinion.

In our opinion, the REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)" is compiled reliably, in all material aspects, in relation to income received, expenses incurred, as well as assets and goods purchased into the funds account for the year ended 31 December 2024, in accordance with Generally Accepted Accounting Principles.

Director of
I.L.C "Audit firm "UVM-audit"



/Mykhailo Kuzub/

Date of the Independent Auditor's Report: **March 28, 2025**



Appendix 1

Charitable Organization «Ukrainian Institute on Public Health Policy»

FUND ACCOUNTABILITY STATEMENT UNDER USG-FUNDED PROJECTS

as at December 31, 2024 and for the year then ended

(in US dollars)

Categories	Грант 1- D2C		Грант 2- SN MAT		PROJECTS Грант 3- FIC		Грант 4- FIC 2		Грант 5- Medium		Грант 6 - Hiv Aging		NOTE	TOTAL
	Agreement Budget 01/09/21-31/08/25	Actual Revenues and Expenditures	Agreement Budget 01/08/21-31/07/25	Actual Revenues and Expenditures	Agreement Budget 11/08/17-30/04/24	Actual Revenues and Expenditures	Agreement Budget 01/04/23-31/03/25	Actual Revenues and Expenditures	Agreement Budget 01/06/18-31/05/25	Actual Revenues and Expenditures	Agreement Budget 15/08/24-30/04/25	Actual Revenues and Expenditures		
Outstanding Fund Balance as at January 01, 2024														
Bank account USD	-	-	-	-	-	-	-	-	-	-	-	-		
Bank account UAH	-	-	-	-	-	-	-	-	-	-	-	-		
Revenue														
Revenue - received grants		\$ 54 154,15		\$ 57 214,42		\$ 30 357,16		\$ 21 040,17		\$ 143 206,89		\$ 35 372,61	2	\$ 341 347,40
USG Contribution	-	-	-	-	-	-	-	-	-	-	-	-		
Expenditures														
Direct costs														
Personnel	\$ 55 760,91	\$ 17 587,26	\$ 30 398,24	\$ 34 194,86	\$ -	\$ -	\$ 14 655,41	\$ 7 297,87	\$ 75 954,41	\$ 74 588,32	\$ 35 744,88	\$ 33 417,55		
Fringe benefits	\$ 15 929,93	\$ 3 197,59	\$ 200,00	\$ 190,38	\$ -	\$ -	\$ 3 281,62	\$ 1 545,08	\$ 9 309,00	\$ 8 607,73	\$ -	\$ -		
Consultant Labor	\$ 6 808,93	\$ 12 913,78	\$ 5 018,35	\$ 4 008,35	\$ -	\$ -	\$ -	\$ -	\$ 11 856,00	\$ 10 658,09	\$ 1 000,00	\$ 734,22		
Travel, Workshops, and Meetings	\$ 10 420,21	\$ 5 980,72	\$ 5 000,00	\$ -	\$ 16 623,94	\$ 14 205,09	\$ 18 200,00	\$ 2 829,90	\$ -	\$ -	\$ 15 577,59	\$ 8 829,40		
Equipment - initial purchase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Office supplies	\$ 310,53	\$ 814,50	\$ 300,00	\$ 640,65	\$ 28,66	\$ 105,25	\$ 228,93	\$ 7,90	\$ 4 200,00	\$ 3 321,10	\$ -	\$ -		
Other direct charges	\$ 15 516,00	\$ 8 630,94	\$ 13 028,75	\$ 8 488,80	\$ 2 711,18	\$ 5 053,44	\$ 9 226,66	\$ 6 727,09	\$ 10 080,00	\$ 8 589,43	\$ 8 955,11	\$ 1 940,48		
Sub-Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33 640,00	\$ 20 441,69	\$ -	\$ -		
Total direct costs	\$ 104 746,51	\$ 49 124,79	\$ 53 945,34	\$ 47 523,04	\$ 19 363,78	\$ 19 363,78	\$ 45 592,62	\$ 18 407,85	\$ 145 039,41	\$ 126 206,37	\$ 61 277,58	\$ 44 921,65	7	\$ 305 547,47
Indarect cocts	\$ 8 379,71	\$ 3 929,98	\$ 4 224,59	\$ 3 801,84	\$ 1 544,21	\$ 1 479,21	\$ 3 344,01	\$ 1 472,63	\$ 6 672,93	\$ 9 472,72	\$ 4 559,00	\$ 3 593,73	8	\$ 23 750,12
Total direct and indirect costs incurred	\$ 113 126,22	\$ 53 054,77	\$ 58 169,93	\$ 51 324,88	\$ 20 907,99	\$ 20 842,99	\$ 48 936,63	\$ 19 880,48	\$ 151 712,34	\$ 135 679,09	\$ 65 836,58	\$ 48 515,38	3	\$ 329 297,59

NOTES

TO REPORT ON RECEIPT AND USE OF FUNDS FOR PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)", for the year ending December 31, 2024 and for the year ended on that date

Note 1: ACCOUNTING POLICY

Below are the main accounting policies and principles applied by management in relation to grant agreements.

Basics of accounting for drawing up REPORT ON RECEIPT AND USE OF FUNDS UNDER PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)

REPORT ON RECEIPT AND USE OF FUNDS UNDER PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)" (hereinafter - REPORT) is drawn up in accordance with the requirements of the contracts.

REPORT prepared on the basis of the principle of accounting for cash receipts and expenses, which is a general basis of accounting, different from generally accepted accounting principles in the United States. According to this accounting principle, income is recognized when cash is received, not as income is accrued, and expenses are recognized when they are paid, not when they are incurred.

The European Institute for Public Health Policy LLC has separate bank accounts and separate accounting analysts for revenue and expense recognition. The total amounts of income and expenditure form the REPORT ON THE REVENUE AND USE OF FUNDS FOR THE PROJECTS: "Implementation Science of a Data-to-Care Strategy to Improve HIV Continuum and Drug Treatment Outcomes for Out of Care PLWH in Ukraine", "A social network approach for improving medication assisted treatment and HIV prevention and medical care among people who inject drugs in Ukraine", "Ukraine HIV Research Training Program", "Ukraine HIV Research Training Program", "Integrating Treatment for Mental Disorders in Methadone Clinics in Ukraine", "Ukraine HIV Research Training Program/Aging Supplement (Supplemental Award)", for the year ending December 31, 2024 and for the year ended on that date.

The incomes reflected in the REPORT are due to cash receipts received under the relevant Projects.

The expenses reflected in the REPORT are paid with cash from the Project account for the payment of goods, works and services (actually received or in the form of advance payments).

Functional currency and publication currency

The functional currency for funds received under grants is the US dollar. Funding was received in US dollars.

Expenditures made in connection with the execution of grant contracts were made in hryvnias. To include expenses under the above-mentioned Grants in the REPORT ON RECEIPT AND USE OF FUNDS UNDER PROJECTS for the year ended December 31, 2024, the official rate of the National Bank of Ukraine, which was in effect on the date of the invoice to the donor, was applied.

The terms of the Projects provided for the compensation of actually incurred costs by invoicing the donor on a final basis. In order to include the costs of the submitted Project in the REPORT for the year ended December 31, 2024

Note 2: INCOME RECEIVED BY PROJECTS

During 2024, UIPHP CO received targeted financing of Projects by transferring funds to a bank account in the total amount of \$ 341,347.40. More detailed information on cash receipts is given in the table:

Revenue - received grants as at December 31, 2024 and for the year then ended

(in US dollars)

Categories, PROJECTS	Revenue – received grants
Grant 1- D2C	\$ 54 154,15
Grant 2- SN MAT	\$ 57 214,42
Grant 3- FIC	\$ 30 357,16
Grant 4- FIC 2	\$ 21 040,17
Grant 5- Medium	\$ 143 206,89
Grant 6 - HIV Aging	\$ 35 372,61
TOTAL	\$ 341 347,40

Note 3: COSTS INCURRED BY THE ORGANIZATION

During 2024, UIPHP CO incurred direct and indirect costs for the purposes of the project in the total amount of \$ 329,297.59, including:

- **\$305,547.47** – the amount of direct costs
- **\$ 23,750.12** - Amount of indirect costs (Overhead costs)

Note 4: ADHERENCE TO APPROVED BUDGETS

In the course of the project activity, UIPHP CO incurred expenses that, in aggregate, do not exceed the amount of targeted funding approved by the Donors.

Note 5: RECONCILIATION OF ACCOUNT BALANCES

The amounts of income and expenses indicated in financial REPORTS for projects and in applications for receiving funds by donors for the period from January 1, 2024 to December 31, 2024, are fully reflected in the accounting records of UIPHP CO. The balances of the funds received from donors for the activities of the Project correspond to the balances in the bank accounts of UIPHP CO according to the data of bank statements for such accounts.

The balance, as of December 31, 2024, for the total amount of \$ 86 768,47, corresponds to the data from Kredobank's report.

Note 6: DOUBTFUL EXPENSES

Irregular expenses are considered questionable because they are inherently unjustified and/or prohibited under the terms of grant agreements (current legislation), and/or unrelated to the objectives of the program.

Unconfirmed expenses are questionable because they are not properly supported by primary documents and/or do not have prior authorization from the donor or authorized persons (for expenses that should have had the appropriate authorization).

Doubtful expenses are returned to the donor or further expenses for the project activity are reduced by their amount, if the donor agreed to such a reduction.

During 2024, UIPHP CO did not make any expenses that could be interpreted as illegal expenses and/or unconfirmed expenses.

Note 7: DIRECT COSTS OF THE COMPANY

The amounts of expenses specified in the REPORT for the year ended December 31, 2024, for the period from January 1, 2024 to December 31, 2024, are reflected in full and amount to \$ 329,297.59.

According to audit data, the amount of direct costs for the project for this period is \$ 305,547.47.

Audits conducted to obtain evidence confirming the amounts of direct project costs disclosed in the REPORT did not show any discrepancies in the correctness of the display of all incurred costs.

During 2024, UIPHP CO incurred direct and indirect costs for the purposes of the project in the total amount of \$ 329,297.59, including:

- **\$305,547.47**– the amount of direct costs
- **\$23,750.12** - Amount of indirect costs (Overhead costs)

Note 8: INDIRECT COSTS OF THE COMPANY

During 2024, UIPHP CO transferred costs to donors based on invoices that included indirect costs of up to 8% of total direct project costs. The specified amount of indirect costs under the project is allowed by the grant agreements and does not differ from their actual amount.

A separate bank account has not been opened for the accounting of funds received as indirect costs. According to our calculations, the amount of indirect costs is **\$23,750.12** dollars.